



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/788,302	02/15/2001	Gregory Sheldon	TI11-001	1499

21567 7590 12/31/2003  
WELLS ST. JOHN P.S.  
601 W. FIRST AVENUE, SUITE 1300  
SPOKANE, WA 99201

EXAMINER
----------

LAstra, DANIEL

ART UNIT	PAPER NUMBER
----------	--------------

3622

DATE MAILED: 12/31/2003

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Applicati n No.

09/788,302

Applicant(s)

SHELDON ET AL.

Examiner

DANIEL LASTRA

Art Unit

3622

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 18 September 2001.
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-7 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-7 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
- Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on \_\_\_\_\_ is: a) ☐ approved b) ☐ disapproved by the Examiner.
- If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

**Priority under 35 U.S.C. §§ 119 and 120**

- 13) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application).
- a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

**Attachment(s)**

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO-1449) Paper No(s) 5.
- 4) ☐ Interview Summary (PTO-413) Paper No(s). \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

### DETAILED ACTION

1. Claims 1-7 have been examined. Application 09/788,302 (INTEGRATED FREQUENCY AND AWARD REDEMPTION PROGRAM FOR INSTALLMENT BASED RECEIVABLES BEHAVIOR MODIFICATION AND CUSTOMER LOYALTY MANAGEMENT) has a filing date 02/15/01.

#### ***Claim Rejections - 35 USC § 103***

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Shkedy (U.S. 6,260,024) in view of Early Payments and further in view of Storey (U.S. 6,578,012).

As per claim 1, Shkedy teaches:

A method for implementing an on-line incentive program for members who are making installment payments, said method comprising the steps of:

providing an Internet webpage accessible to at least a member, via a computer system, for on-line interactive communications between said member and said Internet webpage (see column 12, lines 35-67; column 20, lines 4-45);

offering, on said Internet webpage, installment payment schedule information to said member (see column 20, lines 4-45);

Shkedy fails to teach:

determining whether said member qualifies for one or more award points based on said member making one or more timely installment payment; calculating said award points according to a preprogrammed formula if said member qualifies for said award points and issuing said award points to an account of the member if the member qualifies for said award points, wherein said award points are redeemable by the member for an award. However, the article Early payment teaches about a system that gives customers a 2% discount for paying on-time and a year-end cash rebate after 12 months of on-time payment (see paragraph 2-3). Storey teaches about an online system that permits users to manage awards points and redeem the points online (see column 2, lines 1-35). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that users would use the system described in Shkedy to set up an online installment payment plan and if the users pay their bills on-time, they would receive awards or rebates. Users would use the Storey system to manage the awards points or rebates accumulated by paying their bills online. With these features, billing companies would have a higher probability to receive their payments on-time, saving the expense of trying to make customers pay, and the customers would receive an extra incentive for paying on-time. Therefore, both entities would benefit from the incentive award system.

As per claim 2, Shkedy teaches:

A method for implementing an on-line incentive program for members who are making installment payments as recited in claim 1, said method further comprising the step of offering, on said Internet webpage, electronic installment payment capability to said member (see column 12, lines 35-67; column 20, lines 4-45).

As per claim 3, Shkedy teaches:

A method for redeeming incentive awards in an on-line incentive program, said method comprising the steps of:

implementing an Internet webpage accessible, via a computer system, to at least one member of said on-line incentive program for on-line interactive communications between said member and said Internet webpage (see column 12, lines 35-67; column 20, lines 4-45);

Shkedy fails to teach:

implementing an on-line incentive program that issues award points to members who are making installment payments, wherein said award points are redeemable by said members for an award; offering, accessible from or on said Internet webpage, at least one redeemable award available to said member for exchange of said award points; and permitting said member to initiate a process to receive said at least one redeemable award for exchange of said award points issued to said member through said on-line incentive program. However, the article Early payment teaches a system that gives customers a 2% discount for paying on-time and after 12 months of on-time payment, a year-end cash rebate (see paragraph 2-3). Storey teaches an online system that permits users to manage awards points and redeem the points online (see column 2, lines 1-35). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that users would use the system described in Shkedy to set up an online installment payment plan and if the users pay their bills on-time, they would receive awards or rebates. Users would use the Storey system to manage the awards points or rebates accumulated by paying their bills online. With these features, billing companies would have a higher probability to receive their payments on-time, saving the expense of trying to make customers pay, and the customers would receive an extra incentive for paying on-time. Therefore, both entities would benefit from the incentive award system.

Claim 4 contains the same limitation as claim 1 therefore the same rejection is applied.

Claim 5 contains the same limitation as claim 2 therefore the same rejection is applied.

Claim 6 contains the same limitation as claim 3 therefore the same rejection is applied.

Claim 7 contains the same limitation as claim 1 therefore the same rejection is applied.

**Conclusion**

3. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- Statusfactory.com teaches a system designed to help consumers pay their bills online.

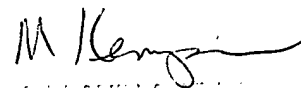
Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 703-306-5933. The examiner can normally be reached on 9:30-6:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W STAMBER can be reached on 703-305-8469. The fax phone number for the organization where this application or proceeding is assigned is (703) 872-9306.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

DL.

Daniel Lastra  
November 3, 2003

  
M. Keng  
Examiner